

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 708

Introduced by Quandahl, 31

Read first time January 22, 2003

Committee: Nebraska Retirement Systems

A BILL

1 FOR AN ACT relating to investment of state funds; to amend sections
2 72-1244, 72-1248, 72-1251, 72-1253, and 72-1254, Reissue
3 Revised Statutes of Nebraska; to change and provide
4 duties for the State Treasurer and the state investment
5 officer; to harmonize provisions; and to repeal the
6 original sections.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 72-1244, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 72-1244. (1) The State Treasurer shall notify the state
4 investment officer as to the amount of money in the General Fund
5 not currently needed and the length of time such money will be
6 available for investment. When it ~~shall appear~~ appears to the
7 State Treasurer that any such invested money is needed, he or she
8 shall notify the state investment officer who shall order the sale
9 or conversion into cash of securities held in the appropriate
10 account as will produce the amount required.

11 (2) On a daily basis, the State Treasurer shall determine
12 the amount of funds required to meet the obligations of the state
13 and shall notify the state investment officer if receipts exceed
14 the obligations of the state. The state investment officer shall
15 transfer funds as directed by the State Treasurer for daily
16 operation.

17 (3) A board, commission, department, agency, or official
18 charged with the control of any other state fund or any funds
19 described in section 83-133 shall notify the state investment
20 officer as to the amount of money in such funds not currently
21 needed and the length of time such money will be available for
22 investment. When it ~~shall appear~~ appears to such board,
23 commission, department, agency, or official that any such invested
24 money is needed, such board, commission, department, agency, or
25 official shall notify the state investment officer who shall order
26 the sale or conversion into cash of securities held in the
27 appropriate account as will produce the amount required.

28 Sec. 2. Section 72-1248, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 72-1248. Interest, premium, and other income received
3 from investments pursuant to subsection (1) of section 72-1244
4 shall be credited to the General Fund. All interest, premium and
5 other income received from investments pursuant to subsection ~~(2)~~
6 (3) of section 72-1244 shall be credited to the fund from which the
7 investment was made. Whenever an investment is made on behalf of
8 two or more funds, the interest, premiums, and other income
9 received shall be prorated in accordance with the participation of
10 the respective funds.

11 Sec. 3. Section 72-1251, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 72-1251. (1) The State Treasurer shall collect the
14 interest, premium, or other income on and the principal of such
15 securities in his or her custody as ~~the same~~ such interest,
16 premium, other income, or principal become due and payable.

17 (2) The State Treasurer shall notify the state investment
18 officer if receipts exceed the obligations of the state. The state
19 investment officer and the State Treasurer shall make a
20 determination of the amount of funds available for investment in
21 short-term investment instruments and the amount of funds available
22 for investment in medium-term investment instruments. At the
23 discretion of the State Treasurer, funds shall be transferred to
24 the state investment officer for investment in medium-term
25 investment instruments.

26 (3) The State Treasurer shall follow investment policies
27 for investments in short-term investment instruments as established
28 by the council and the Legislature.

1 (4) The State Treasurer shall record all investment
2 income in a timely manner in the state accounting system. All fees
3 and expenses incurred by the State Treasurer in the performance of
4 his or her duties under this section shall be charged to the fund
5 on behalf of which fees and expenses were incurred.

6 (5) Whenever it is determined to be cost effective, the
7 State Treasurer shall utilize Nebraska-based financial providers to
8 perform the services described under this section.

9 Sec. 4. Section 72-1253, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 72-1253. The state investment officer shall report no
12 later than fifteen days after the close of each month to each
13 appropriate board, commission, department, agency, or official the
14 investment transactions made during the preceding month on behalf
15 of the respective fund or funds, except with respect to the
16 reporting of funds allocated to the short-term or medium-term
17 investments as provided in section 72-1254.

18 Sec. 5. Section 72-1254, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 72-1254. (1) The state investment officer shall report
21 no later than fifteen days after the close of each month to the
22 Governor, the State Treasurer, and the members of the council on
23 the operations during such month. Each report shall include a
24 summary of investment, reinvestment, purchase, sale, and exchange
25 transactions, setting forth, among other things, the investments
26 bought, sold, and exchanged, the dates thereof, the prices paid and
27 obtained, the names of the dealers involved, and the statements for
28 each fund. Such reports shall be available for public inspection

1 in the office of the state investment officer.

2 (2) With respect to short-term investments, the state
3 investment officer shall report on a daily basis, or more
4 frequently at the discretion of the State Treasurer, the status of
5 all short-term investments.

6 Sec. 6. Original sections 72-1244, 72-1248, 72-1251,
7 72-1253, and 72-1254, Reissue Revised Statutes of Nebraska, are
8 repealed.